

## Message Text

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ACTION ARA-14

INFO OCT-01 ISO-00 SSO-00 CIAE-00 DODE-00 NSAE-00  
NSCE-00 ICAE-00 INRE-00 PM-05 H-01 INR-10 L-03  
PA-01 SP-02 SS-15 TRSE-00 OMB-01 /053 W  
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O R 212236Z JUL 78  
FM AMEMBASSY QUITO  
TO SECSTATE WASHDC IMMEDIATE 8867  
INFO AMEMBASSY LA PAZ  
AMEMBASSY LIMA  
AMEMBASSY SANTIAGO  
AMCONSUL GUAYAQUIL  
USCINCSO QUARRY HTS CZ

C O N F I D E N T I A L SECTION 1 OF 2 QUITO 5086

E.O. 11652: GDS  
TAGS: PINT, EC  
SUBJECT: CONVERSATION WITH JAIME ROLDOS AND OSVALDO HURTADO

1. BEGIN SUMMARY. DURING CONVERSATION BETWEEN EMBOFFS AND FIRST-ROUND PRESIDENTIAL WINNERS ROLDOS AND HURTADO ON JULY 21, THE LATTER PAIR DESCRIBED THEIR LAST MINUTE VICTORY RUSH; EXPRESSED CONCERN, BUT NOT ALARM ABOUT VOTE-COUNTING PROBLEMS; DISCUSSED THEIR PROBLEMS IN ALLAYING FEARS ABOUT THEIR ALLEGED RADICAL TENDENCIES; TOLD OF ROLDOS' DESIRE TO VISIT US AFTER FINAL ELECTION, AND REQUESTED HIGH-LEVEL REPRESENTATION AT EXPECTED INAUGURATION. END SUMMARY.

2. CHARGE AND POLCOUNS MET WITH PRESIDENTIAL FIRST-ROUND WINNER JAIME ROLDOS HIS RUNNING MATE OSVALDO HURTADO, AND THEIR ECONOMIC ADVISOR MAURICIO DAVALOS ON THE NIGHT OF JULY 20 AT DAVALOS' HOUSE IN QUITO. THE MEETING HAD BEEN MUTUALLY SOLICITED TO DISCUSS THE CURRENT POLITICAL/ ELECTORAL PICTURE AND PLANS BEYOND THAT.

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3. DESPITE THE FACT THAT THE HOUR WAS LATE AND ROLDOS AND HURTADO HAD JUST COMPLETED A GRUELLING DAY INCLUDING TRAVEL FROM GUAYAQUIL, A MOTOR CARAVAN IN QUITO, AND FIVE SEPARATE NEWS CONFERENCES, THE TWO WERE EXUBERANT AND EXHILARATED. WHILE THEY TEASED EMBOFFS FOR PERHAPS TAKING THEM TO LIGHTLY WHEN THEY LAST MET AT THE JULY 4 RECEPTION, THEY ACKNOWLEDGED THAT THEY THEMSELVES HAD

BEEN AMAZED ABOUT WHAT HAD HAPPENED IN THE LAST TWO WEEKS OF THE ELECTION. THEY REVEALED THAT THEY HAD FIRST NOTICED A DISTINCT CHANGE IN THE SIERRA, IN WHICH THEY ULTIMATELY GATHERED 26 PERCENT OF THE VOTE, WHEN THEY SWUNG THROUGH IMBABURA PROVINCE IN THE FIRST WEEK OF JULY. SINCE THEIR RECEPTION THERE SEVERAL WEEKS BEFORE HAD BEEN MODERATE THEY WERE NOT PREPARED FOR THE CROWDS AND THE ENTHUSIASM THAT THEY ENCOUNTERED. AS THEY MOVED INTO QUITO, COTOPAXI, LOS RIOS, AND ESPECIALLY GUAYAQUIL IN THE CLOSING DAYS, THE PHENOMENON WAS REPEATED. ROLDOS DECLARED THAT SOMETHING HAD AT LAST CLICKED WITH THE ELECTORATE AND THIS WAS BORN OUT ON JULY 16. WHAT IS PERHAPS MORE IMPORTANT, ADDED ROLDOS, HAS BEEN THE CONTINUING ASCENT IN POPULARITY OF THE TICKET SUBSEQUENT TO THE ELECTION. HURTADO SAID THAT ROLDOS IS DRAWING CHEERING CROWDS EVERYTIME HE STEPS INTO THE STREET. ROLDOS HAZARDED THAT THEY MIGHT RECEIVE 60 PERCENT OF THE VOTE IF THE ELECTION WERE HELD NEXT WEEK.

4. ALL OF THIS TURNED OUT TO BE PREFACE TO AN ANALYSIS OF THE PRESENT POLITICAL PICTURE. ROLDOS REVEALED THAT THEY WERE WELL AWARE OF GOE EFFORTS TO BRAKE THEIR PROGRESS. HE CLAIMED THAT THE 46 DAY PERIOD SET ASIDE FOR VOTE SCRUTINY BY THE SUPREME ELECTORAL TRIBUNAL WAS PARTLY DESIGNED TO COOL THEM OFF, PARTLY TO COME UP WITH A STRONGER OPPOSING TICKET, AND PARTLY FOR THE MILITARY TO ASSESS THE GENERAL SITUATION. HOWEVER, BECAUSE OF FIRST ROUND RESULTS  
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AND THEIR GROWING POPULARITY, THERE WAS NOTHING THAT THE GOE COULD DO, SHORT OF BLATANTLY INTERFERING, AS IN THE BOLIVIAN CASE, TO STOP THEM. MOREOVER, THE DEMONSTRATED MASS ENTHUSIASM FOR THE TICKET AT THIS POINT HAD RAISED THE FEAR OF A POPULAR UPRISING IF THE MILITARY CHOSE THE DIRECT ROUTE TO BLOCK THEM. THE INTERNATIONAL SITUATION ALSO MADE SUCH AN ATTEMPT UNLIKELY, CONCLUDED ROLDOS. THEREFORE, WHILE THE GOE'S AND SET'S DILATORY TACTICS AND MANIPULATIONS WERE IRRITATING AS WELL AS OUTRAGEOUS, THEY WERE UNLIKELY TO CHANGE THE OUTCOME OF THE SECOND ROUND AND DENY THEM OF A RIGHTFUL VICTORY. ALTHOUGH THEY WERE CONCERNED ABOUT THESE TACTICS, THEY WOULD NOT OPPOSE THEM TOO STRONGLY.

5. HURTADO BROUGHT UP THE SMEAR CAMPAIGN AGAINST HIM WHICH ATTEMPTED TO PORTRAY HIM AS A COMMUNIST; HE ATTRIBUTED THIS TO THE MIND OF OTTO AROSEMENA, FORMER PRESIDENT AND GUAYQUIL OLIGARCH. AS A POLITICAL SCIENTIST, HURTADO SAID, HE COULD APPRECIATE THE STRATEGY OF THE APPROACH WHICH HE CHARACTERIZED AS A DESPERATE EFFORT TO DISCOVER A WAY TO BEEAT ROLDOS. HOWEVER, SUCH TACTICS COULD RESULT IN A PROBLEM FOR THE COUNTRY IF IT DIMINISHED

AWAY INVESTOR AND LENDER CONFIDENCE IN ECUADOR.

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C O N F I D E N T I A L SECTION 2 OF 2 QUITO 5086

6. ASIDE FROM REJECTING SUCH CHARGES, ROLDOS AND HURTADO STATED THAT THEY WERE DEVOTING ALL OF THEIR EFFORTS THESE DAYS TO REASSURING THE MIDDLE-CLASS THAT THEY WERE NOT WILD-EYED REVOLUTIONARIES. BUT THEY ACKNOWLEDGED THAT IT WAS DIFFICULT TO KEEP UP WITH THE RUMORS. AS AN EXAMPLE, THEY SAID THAT THERE WAS A CANARD THAT ROLDOS WOULD NATIONALIZE FOREIGN BANKS. DAVALOS (WHO IS VICE PRESIDENT OF THE LOCAL CITIBANK OPERATION) DECLARED THAT NOT ONLY HAD NOTHING BEEN MENTIONED ABOUT THIS IN THE CAMPAIGN, BUT HE DOUBTED WHETHER THIS WAS EVEN PART OF THE OLD CHRISTIAN DEMOCRATIC PROGRAM, WHICH WAS MORE LEFTIST THAN THE ROLDOS CAMPAIGN PLATFORM. ROLDOS INDICATED THAT ALTHOUGH THEY SOUGHT CHANGE AND SOCIAL REFORM, HIS GOVERNMENT WOULD SEEK TO AVOID THE POLITICAL CONFRONTATIONS INHERENT IN PUSHING RADICAL PROGRAMS. INSTEAD, THEY WOULD TAKE THE LINE OF LEAST RESISTANCE, PRESSING FOR LEGISLATIVE REFORM WHERE CONSENSUS EXISTED AND, MOST IMPORTANTLY, APPLYING PRESENT LAWS EQUITABLY.

7. ROLDOS AND HURTADO EXPRESSED AN INTEREST IN SITTING DOWN WITH KEY MILITARY OFFICERS AND DISCUSSING THE IMAGE AND THE  
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REALITY OF THEIR TICKET. THUS FAR, THEY HAD NOT BEEN SUCCESSFUL IN MAKING CONTACT AND ASKED FOR EMBOFF'S OPINION OF THE KEY ELEMENTS IN THE MILITARY AND HOW THEY SHOULD PROCEED. EMBOFFS TRIED TO OBLIGE.

8. ROLDOS SAID THAT HE HAD THOUGHT ABOUT TAKING A WEEK OFF TO VACATION IN THE US - AND PERHAPS PAY A PERSONAL VISIT TO WASHINGTON IN AUGUST. HOWEVER, THIS IDEA HAD BEEN REJECTED AS PERHAPS TOO RISKY POLITICALLY. ALTHOUGH ASSOCIATION WITH THE US AT THIS POINT MIGHT BE HELPFUL IN ALLAYING FEARS ABOUT HIS ALLEGED LEFT-WING TENDENCIES, IT ALSO MIGHT ENGENDER A NEGATIVE NATIONALIST REACTION. ON THE OTHER HAND, HE EXPRESSED HIMSELF AS INTERESTED IN VISITING WASHINGTON BETWEEN HIS EXPECTED ELECTION AS PRESIDENT AND HIS INAUGURATION. EMBOFFS PROMISED THAT THEY WOULD LOOK INTO THE POSSIBILITIES.

9. HURTADO STATED THAT THE NEW GOVERNMENT WOULD ENTER OFFICE IN UNCERTAIN CIRCUMSTANCES BECAUSE OF AN UNUSUALLY SUSPICIOUS MILITARY AND OLIGARCHY, PLUS THE USUAL SET OF POLITICAL AND ECONOMIC PROBLEMS. BECAUSE OF THIS, DEMONSTRATIONS OF BENEVOLENT SUPPORT FROM THE US WOULD BE VERY WELCOME. HE BELIEVED THAT THEY WOULD INVITE HEMISPHERIC CHIEFS OF STATE TO ATTEND THE INAUGURATION AND ASKED ABOUT THE POSSIBILITY OF PRESIDENT CARTER ATTENDING. IF HE COULD NOT, CONTINUED HURTADO, MRS. CARTER, BECAUSE OF THE PIVOTAL IMPACT OF HER VISIT HERE LAST YEAR HAD HAD, WOULD BE AN IDEAL CHOICE TO HEAD THE US DELEGATION.

10. COMMENT: WHILE GRANTED THAT BETWEEN THE THOUGHT AND THE ACTION OFTEN FALLS THE SHADOW, WE WOULD TEND TO AGREE WITH ROLDOS/HURTADO'S ANALYSIS THAT, BARRING UNFORESEEN

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CIRCUMSTANCES, THEY OUGHT TO EMERGE THE WINNERS OF THE SECOND ROUND. THE ENTHUSIASM FOR THEIR TICKET THAT THEY NOTED IN THE CONVERSATION IS REAL, CONSIDERABLE AT THE MOMENT, AND GROWING. ON A HIGHLY PERSONAL LEVEL, IT IS DIFFICULT TO RESPOND LESS THAN POSITIVELY TO THESE TWO ATTRACTIVE PERSONALITIES AND THE POSSIBILITIES THAT THEY OFFER: YOUNG, INTELLIGENT, ARTICULATE, SERIOUSLY DESIRING THE END OF SOCIAL INJUSTICE, AND SEEMINGLY RESPONSIBLE ABOUT THE WAY THEY WOULD GO ABOUT IT --- AND WELL-DISPOSED TOWARD THE US. OBSERVING WHERE THEY HAVE COME FROM, WHAT THEY HAVE BEEN THROUGH, AND WHERE THEY ARE NOW, THEY REPRESENT A LEGITIMATE CINDERELA STORY. WHETHER IT ENDS AT MIDNIGHT OR SURVIVES BEYOND THAT WILL DEPEND ON A

VARIETY OF FACTORS, NOT THE LEAST OF WHICH MAY BE US  
INTEREST.  
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## Message Attributes

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